

114TH CONGRESS
1ST SESSION

S. 1470

To amend the Small Business Act to provide additional assistance to small business concerns for disaster recovery, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 31, 2015

Mr. VITTER introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

A BILL

To amend the Small Business Act to provide additional assistance to small business concerns for disaster recovery, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Recovery Improvements for Small Entities After Disaster
6 Act of 2015” or the “RISE After Disaster Act of 2015”.

7 (b) TABLE OF CONTENTS.—The table of contents for
8 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Definitions.

TITLE I—IMPROVEMENTS OF DISASTER RESPONSE AND LOANS

- Sec. 101. Use of data sharing.
- Sec. 102. Additional awards to small business development centers, women’s business centers, SCORE, and FAST recipients for disaster recovery.
- Sec. 103. Collateral requirements for disaster loans.
- Sec. 104. Assistance to out-of-State business concerns to aid in disaster recovery.
- Sec. 105. Fast-track SBIC applications.
- Sec. 106. FAST priorities.
- Sec. 107. Use of Federal surplus property in disaster areas.
- Sec. 108. Recovery opportunity loans.
- Sec. 109. Contractor malfeasance.
- Sec. 110. Local contracting preferences and incentives.

TITLE II—DISASTER PLANNING AND MITIGATION

- Sec. 201. Use of physical damage disaster loans.
- Sec. 202. Business recovery centers.

TITLE III—OTHER PROVISIONS

- Sec. 301. Increased oversight of economic injury disaster loans.
- Sec. 302. Reduction of paperwork burden.
- Sec. 303. Report on web portal for disaster loan applicants.
- Sec. 304. Local disaster contracting fairness.

1 **SEC. 2. DEFINITIONS.**

2 In this Act—

3 (1) the term “7(b) loan program” means assist-
 4 ance provided by the Administration under section
 5 7(b) of the Small Business Act (15 U.S.C. 636(b));

6 (2) the terms “Administration” and “Adminis-
 7 trator” mean the Small Business Administration
 8 and the Administrator thereof, respectively;

9 (3) the term “covered supplemental appropria-
 10 tions” means amounts made available to the Admin-
 11 istration through supplemental appropriations for—

12 (A) the cost of direct loans authorized
 13 under section 7(b) of the Small Business Act

1 (15 U.S.C. 636(b)) for necessary expenses re-
2 lated to the consequences of a major disaster
3 declared by the President under section 401 of
4 the Robert T. Stafford Disaster Relief and
5 Emergency Assistance Act (42 U.S.C. 5170);
6 and

7 (B) the direct administrative expenses of
8 making and servicing those loans;

9 (4) the term “major disaster” means a major
10 disaster declared by the President under section 401
11 of the Robert T. Stafford Disaster Relief and Emer-
12 gency Assistance Act (42 U.S.C. 5170); and

13 (5) the term “small business concern” has the
14 meaning given that term under section 3 of the
15 Small Business Act (15 U.S.C. 632).

16 **TITLE I—IMPROVEMENTS OF**
17 **DISASTER RESPONSE AND**
18 **LOANS**

19 **SEC. 101. USE OF DATA SHARING.**

20 Section 312 of the Robert T. Stafford Disaster Relief
21 and Emergency Assistance Act (42 U.S.C. 5155) is
22 amended by adding at the end the following:

23 “(e) USE OF DATA SHARING.—

1 “(1) DEFINITION.—In this subsection, the term
2 ‘agency’ has the meaning given the term in section
3 552a of title 5, United States Code.

4 “(2) EXEMPTION FROM CERTAIN MATCHING
5 PROGRAM REQUIREMENTS.—Any action taken by an
6 agency to prevent, investigate, or recover duplicative
7 Federal assistance under this section shall not be
8 subject to subsections (e)(12), (o), (q), (r), and (u)
9 of section 552a of title 5, United States Code.

10 “(3) FRAUDULENT ACQUISITION OF ASSIST-
11 ANCE.—An investigation conducted by an agency re-
12 lating to the fraudulent acquisition of duplicative
13 Federal assistance under this section shall not be
14 subject to section 552a(p) of title 5, United States
15 Code.”.

16 **SEC. 102. ADDITIONAL AWARDS TO SMALL BUSINESS DE-**
17 **VELOPMENT CENTERS, WOMEN’S BUSINESS**
18 **CENTERS, SCORE, AND FAST RECIPIENTS**
19 **FOR DISASTER RECOVERY.**

20 Section 7(b) of the Small Business Act (15 U.S.C.
21 636(b)) is amended by inserting before the undesignated
22 matter following paragraph (9) the following:

23 “(10) ADDITIONAL AWARDS TO SMALL BUSI-
24 NESS DEVELOPMENT CENTERS, WOMEN’S BUSINESS

1 CENTERS, SCORE, AND FAST RECIPIENTS FOR DIS-
2 ASTER RECOVERY.—

3 “(A) IN GENERAL.—The Administration
4 may provide financial assistance to a small
5 business development center, a women’s busi-
6 ness center described in section 29, the Service
7 Corps of Retired Executives, a entity, organiza-
8 tion, or individual that receives an award or has
9 in effect a cooperative agreement under section
10 34, or any proposed consortium of such individ-
11 uals or entities to spur disaster recovery and
12 growth of small business concerns located in an
13 area for which the President has declared a
14 major disaster.

15 “(B) FORM OF FINANCIAL ASSISTANCE.—
16 Financial assistance provided under this para-
17 graph shall be in the form of a grant, contract,
18 or cooperative agreement.

19 “(C) NO MATCHING FUNDS REQUIRED.—
20 Matching funds shall not be required for any
21 grant, contract, or cooperative agreement under
22 this paragraph.

23 “(D) REQUIREMENTS.—A recipient of fi-
24 nancial assistance under this paragraph shall
25 provide counseling, training, and other related

1 services, such as promoting long-term resiliency,
2 to small business concerns and entrepreneurs
3 impacted by a major disaster.

4 “(E) PERFORMANCE.—

5 “(i) IN GENERAL.—The Adminis-
6 trator, in cooperation with the recipients of
7 financial assistance under this paragraph,
8 shall establish metrics and goals for per-
9 formance of grants, contracts, and cooper-
10 ative agreements under this paragraph,
11 which shall include recovery of sales, recov-
12 ery of employment, reestablishment of
13 business premises, and establishment of
14 new small business concerns.

15 “(ii) USE OF ESTIMATES.—The Ad-
16 ministrator shall base the goals and
17 metrics for performance established under
18 clause (i), in part, on the estimates of dis-
19 aster impact prepared by the Office of Dis-
20 aster Assistance for purposes of estimating
21 loan-making requirements.

22 “(F) TERM.—

23 “(i) IN GENERAL.—The term of any
24 grant, contract, or cooperative agreement

1 under this paragraph shall be for not more
2 than 2 years.

3 “(ii) EXTENSION.—The Administrator
4 may make 1 extension of a grant, contract,
5 or cooperative agreement under this para-
6 graph for a period of not more than 1
7 year, upon a showing of good cause and
8 need for the extension.

9 “(G) EXEMPTION FROM OTHER PROGRAM
10 REQUIREMENTS.—Financial assistance provided
11 under this paragraph is in addition to, and
12 wholly separate from, any other form of assist-
13 ance provided by the Administrator under this
14 Act.

15 “(H) COMPETITIVE BASIS.—The Adminis-
16 tration shall award financial assistance under
17 this paragraph on a competitive basis.”.

18 **SEC. 103. COLLATERAL REQUIREMENTS FOR DISASTER**
19 **LOANS.**

20 (a) IN GENERAL.—Section 7(d)(6) of the Small Busi-
21 ness Act (15 U.S.C. 636(d)(6)) is amended in the third
22 proviso—

23 (1) by striking “\$14,000” and inserting
24 “\$25,000”; and

1 (2) by striking “major disaster” and inserting
2 “disaster”.

3 (b) SUNSET.—Effective on the date that is 3 years
4 after the date of enactment of this Act, section 7(d)(6)
5 of the Small Business Act (15 U.S.C. 636(d)(6)) is
6 amended in the third proviso—

7 (1) by striking “\$25,000” and inserting
8 “\$14,000”; and

9 (2) by inserting “major” before “disaster”.

10 (c) REPORT.—Not later than 180 days before the
11 date on which the amendments made by subsection (b)
12 are to take effect, the Administrator shall submit to Com-
13 mittee on Small Business and Entrepreneurship of the
14 Senate and the Committee on Small Business of the
15 House of Representatives a report on the effects of the
16 amendments made by subsection (a), which shall in-
17 clude—

18 (1) an assessment of the impact and benefits
19 resulting from the amendments; and

20 (2) a recommendation as to whether the amend-
21 ments should be made permanent.

22 **SEC. 104. ASSISTANCE TO OUT-OF-STATE BUSINESS CON-**
23 **CERNS TO AID IN DISASTER RECOVERY.**

24 (a) IN GENERAL.—Section 21(b)(3) of the Small
25 Business Act (15 U.S.C. 648(b)(3)) is amended—

1 (1) by striking “(3) At the discretion” and in-
2 serting the following:

3 “(3) ASSISTANCE TO OUT-OF-STATE SMALL
4 BUSINESS CONCERNS.—

5 “(A) IN GENERAL.—At the discretion”;

6 and

7 (2) by adding at the end the following:

8 “(B) DISASTER RECOVERY ASSISTANCE.—

9 “(i) IN GENERAL.—At the discretion
10 of the Administrator, the Administrator
11 may authorize a small business develop-
12 ment center to provide advice, information,
13 and assistance, as described in subsection
14 (c), to a small business concern located
15 outside of the State, without regard to geo-
16 graphic proximity to the small business de-
17 velopment center, if the small business
18 concern is located in an area for which the
19 President has declared a major disaster.

20 “(ii) TERM.—

21 “(I) IN GENERAL.—A small busi-
22 ness development center may provide
23 advice, information, and assistance to
24 a small business concern under clause
25 (i) for a period of not more than 2

1 years after the date on which the
2 President declared a major disaster
3 for the area in which the small busi-
4 ness concern is located.

5 “(II) EXTENSION.—The Admin-
6 istrator may, at the discretion of the
7 Administrator, extend the period de-
8 scribed in subclause (I).

9 “(iii) CONTINUITY OF SERVICES.—A
10 small business development center that
11 provides counselors to an area described in
12 clause (i) shall, to the maximum extent
13 practicable, ensure continuity of services in
14 any State in which the small business de-
15 velopment center otherwise provides serv-
16 ices.

17 “(iv) ACCESS TO DISASTER RECOVERY
18 FACILITIES.—For purposes of this sub-
19 paragraph, the Administrator shall, to the
20 maximum extent practicable, permit the
21 personnel of a small business development
22 center to use any site or facility designated
23 by the Administrator for use to provide
24 disaster recovery assistance.”.

1 (b) SENSE OF CONGRESS.—It is the sense of Con-
 2 gress that, subject to the availability of funds, the Admin-
 3 istrator should, to the extent practicable, ensure that a
 4 small business development center is appropriately reim-
 5 bursed for any legitimate expenses incurred in carrying
 6 out activities under section 21(b)(3)(B) of the Small Busi-
 7 ness Act, as added by subsection (a).

8 **SEC. 105. FAST-TRACK SBIC APPLICATIONS.**

9 Section 301(c)(2) of the Small Business Investment
 10 Act of 1958 (15 U.S.C. 681(c)(2)) is amended by adding
 11 at the end the following:

12 “(C) PRIORITY FOR APPLICANTS LOCATED
 13 IN DISASTER AREAS.—

14 “(i) DEFINITION.—In this subpara-
 15 graph, the term ‘disaster area’ means the
 16 area for which the President has declared
 17 a major disaster (as defined in section 102
 18 of the Robert T. Stafford Disaster Relief
 19 and Emergency Assistance Act (42 U.S.C.
 20 5122)), during the period of the declara-
 21 tion.

22 “(ii) PRIORITY.—The Administrator
 23 shall give priority to an application for a li-
 24 cense to operate as a small business invest-

1 ment company that is from an applicant
2 located in a disaster area.”.

3 **SEC. 106. FAST PRIORITIES.**

4 (a) DEFINITIONS.—Section 34(a) of the Small Busi-
5 ness Act (15 U.S.C. 657d(a)) is amended—

6 (1) by redesignating paragraphs (3) through
7 (9) as (4) through (10), respectively; and

8 (2) by inserting after paragraph (2) the fol-
9 lowing:

10 “(3) CATASTROPHIC DISASTER.—The term ‘cat-
11 astrophic disaster’ means a catastrophic disaster, as
12 determined by the Administrator.”.

13 (b) PRIORITY.—Section 34(c)(2) of the Small Busi-
14 ness Act (15 U.S.C. 657d(c)(2)) is amended—

15 (1) in subparagraph (A), by striking “and” at
16 the end;

17 (2) in subparagraph (B)(vi)(III), by striking
18 the period at the end and inserting “; and”; and

19 (3) by adding at the end the following:

20 “(C) shall give special consideration to an
21 applicant that is located in an area affected by
22 a catastrophic disaster.”.

23 (c) ADDITIONAL ASSISTANCE.—Section 34(c) of the
24 Small Business Act (15 U.S.C. 657d(c)) is amended by
25 adding at the end the following:

1 “(5) ADDITIONAL ASSISTANCE FOR CATA-
 2 STROPHIC DISASTERS.—Upon application by an ap-
 3 plicant that receives an award or has in effect a co-
 4 operative agreement under this section and that is
 5 located in an area affected by a catastrophic dis-
 6 aster, the Administrator may provide additional as-
 7 sistance to the applicant.”.

8 **SEC. 107. USE OF FEDERAL SURPLUS PROPERTY IN DIS-**
 9 **ASTER AREAS.**

10 Section 7(j)(13)(F) of the Small Business Act (15
 11 U.S.C. 636(j)(13)(F)) is amended—

12 (1) by inserting “(i)” after “(F)”; and

13 (2) by adding at the end the following:

14 “(ii)(I) In this clause—

15 “(aa) the term ‘covered period’
 16 means the 2-year period beginning on
 17 the date on which the President de-
 18 clared the applicable major disaster;
 19 and

20 “(bb) the term ‘disaster area’
 21 means the area for which the Presi-
 22 dent has declared a major disaster,
 23 during the covered period.

24 “(II) The Administrator may transfer
 25 technology or surplus property under

1 clause (i) on a priority basis to a small
2 business concern located in a disaster area
3 if—

4 “(aa) the small business concern
5 meets the requirements for such a
6 transfer, without regard to whether
7 the small business concern is a Pro-
8 gram Participant; and

9 “(bb) for a small business con-
10 cern that is a Program Participant,
11 on and after the date on which the
12 President declared the applicable
13 major disaster, the small business
14 concern has not received property
15 under this subparagraph on the basis
16 of the status of the small business
17 concern as a Program Participant.

18 “(III) For any transfer of property
19 under this clause to a small business con-
20 cern, the terms and conditions shall be the
21 same as a transfer to a Program Partici-
22 pant, except that the small business con-
23 cern shall agree not to sell or transfer the
24 property to any party other than the Fed-
25 eral Government during the covered period.

1 “(IV) A small business concern that
2 receives a transfer of property under this
3 clause may not receive a transfer of prop-
4 erty under clause (i) during the covered
5 period.

6 “(V) If a small business concern sells
7 or transfers property in violation of the
8 agreement described in subclause (III), the
9 Administrator may initiate proceedings to
10 prohibit the small business concern from
11 receiving a transfer of property under this
12 clause or clause (i), in addition to any
13 other remedy available to the Adminis-
14 trator.”.

15 **SEC. 108. RECOVERY OPPORTUNITY LOANS.**

16 Section 7(a)(31) of the Small Business Act (15
17 U.S.C. 636(a)(31)) is amended—

18 (1) in subparagraph (A)—

19 (A) by redesignating clauses (i), (ii), and
20 (iii) as clauses (ii), (iii), and (iv), respectively;
21 and

22 (B) by inserting before clause (ii), as so re-
23 designated, the following:

24 “(i) The term ‘disaster area’ means
25 the area for which the President has de-

1 clared a major disaster, during the 5-year
2 period beginning on the date of the dec-
3 laration.”;

4 (2) by adding at the end the following:

5 “(G) RECOVERY OPPORTUNITY LOANS.—

6 “(i) IN GENERAL.—The Administrator
7 may guarantee an express loan to a small
8 business concern located in a disaster area
9 in accordance with this subparagraph.

10 “(ii) MAXIMUMS.—For a loan guaran-
11 teed under clause (i)—

12 “(I) the maximum loan amount
13 is \$150,000; and

14 “(II) the guarantee rate shall be
15 not more than 85 percent.

16 “(iii) OVERALL CAP.—A loan guaran-
17 teed under clause (i) shall not be counted
18 in determining the amount of loans made
19 to a borrower for purposes of subpara-
20 graph (D).

21 “(iv) EXISTING DEBT.—A loan guar-
22 anteed under clause (i) may be used to re-
23 finance existing debt arising from the ap-
24 plicable major disaster, subject to section

1 120.201 of title 13, Code of Federal Regu-
2 lations, or any successor thereto.

3 “(v) OPERATIONS.—A small business
4 concern receiving a loan guaranteed under
5 clause (i) shall certify that the small busi-
6 ness concern was in operation on the date
7 on which the applicable major disaster oc-
8 curred as a condition of receiving the loan.

9 “(vi) REPAYMENT ABILITY.—A loan
10 guaranteed under clause (i) may only be
11 made to a small business concern that
12 demonstrates, to the satisfaction of the Ad-
13 ministrator, sufficient capacity to repay
14 the loan.

15 “(vii) TIMING OF PAYMENT OF GUAR-
16 ANTEES.—

17 “(I) IN GENERAL.—Not later
18 than 90 days after the date on which
19 the Administrator receives notice of a
20 default on a loan guaranteed under
21 clause (i), the Administrator shall de-
22 termine whether to pay the guaran-
23 teed portion of the loan.

24 “(II) RECAPTURE.—Unless there
25 is a fraud relating to a loan guaran-

1 teed under clause (i), on and after the
2 date that is 6 months after the date
3 on which the Administrator deter-
4 mines to pay the guaranteed portion
5 of the loan, the Administrator may
6 not attempt to recapture the paid
7 guarantee.”.

8 **SEC. 109. CONTRACTOR MALFEASANCE.**

9 Section 7(b) of the Small Business Act (15 U.S.C.
10 636(b)) is amended by inserting before the undesignated
11 matter following paragraph (10), as added by section 102
12 of this Act, the following:

13 “(11) SUPPLEMENTAL ASSISTANCE FOR CON-
14 TRACTOR MALFEASANCE.—

15 “(A) IN GENERAL.—If a contractor or
16 other person engages in malfeasance in connec-
17 tion with repairs to, rehabilitation of, or re-
18 placement of real or personal property relating
19 to which a loan was made under this subsection
20 and the malfeasance results in substantial eco-
21 nomic damage to the recipient of the loan or
22 substantial risks to health or safety, upon re-
23 ceiving documentation of the substantial eco-
24 nomic damage or the substantial risk to health
25 and safety from an independent loss verifier,

1 and subject to subparagraph (B), the Adminis-
2 trator may increase the amount of the loan
3 under this subsection, as necessary for the cost
4 of repairs, rehabilitation, or replacement needed
5 to address the cause of the economic damage or
6 health or safety risk.

7 “(B) REQUIREMENTS.—The Administrator
8 may only increase the amount of a loan under
9 subparagraph (A) upon receiving an appro-
10 priate certification from the borrower and per-
11 son performing the mitigation attesting to the
12 reasonableness of the mitigation costs and an
13 assignment of any proceeds received from the
14 person engaging in the malfeasance. The as-
15 signment of proceeds recovered from the person
16 engaging in the malfeasance shall be equal to
17 the amount of the loan under this section. Any
18 mitigation activities shall be subject to audit
19 and independent verification of completeness
20 and cost reasonableness.”.

21 **SEC. 110. LOCAL CONTRACTING PREFERENCES AND INCEN-**
22 **TIVES.**

23 Section 15 of the Small Business Act (15 U.S.C. 644)
24 is amended by inserting after subsection (e) the following:

1 “(f) CONTRACTING PREFERENCE FOR SMALL BUSI-
2 NESS CONCERNS IN A MAJOR DISASTER AREA.—

3 “(1) DEFINITION.—In this subsection, the term
4 ‘disaster area’ means the area for which the Presi-
5 dent has declared a major disaster, during the pe-
6 riod of the declaration.

7 “(2) CONTRACTING PREFERENCE.—An agency
8 shall provide a contracting preference for a small
9 business concern located in a disaster area if the
10 small business concern will perform the work re-
11 quired under the contract in the disaster area.

12 “(3) CREDIT FOR MEETING CONTRACTING
13 GOALS.—If an agency awards a contract to a small
14 business concern under the circumstances described
15 in paragraph (2), the value of the contract shall be
16 doubled for purposes of determining compliance with
17 the goals for procurement contracts under sub-
18 section (g)(1)(A).”.

19 **TITLE II—DISASTER PLANNING**
20 **AND MITIGATION**

21 **SEC. 201. USE OF PHYSICAL DAMAGE DISASTER LOANS.**

22 Section 7(b)(1)(A) of the Small Business Act (15
23 U.S.C. 636(b)(1)(A)) is amended in the second proviso—

1 (1) by striking “the Administration may in-
2 crease” and inserting “the Administration may, sub-
3 ject to section 18(a), increase”; and

4 (2) by striking “and modifying structures” and
5 inserting “, and modifying structures (including con-
6 struction of a safe room or similar storm shelter de-
7 signed to protect property and occupants from tor-
8 nadoes or other natural disasters)”.

9 **SEC. 202. BUSINESS RECOVERY CENTERS.**

10 Section 7(b) of the Small Business Act (15 U.S.C.
11 636(b)) is amended by inserting before the undesignated
12 matter following paragraph (11), as added by section 109
13 of this Act, the following:

14 “(12) BUSINESS RECOVERY CENTERS.—

15 “(A) IN GENERAL.—The Administrator,
16 acting through the district offices of the Admin-
17 istration, shall identify locations that may be
18 used as recovery centers by the Administration
19 in the event of a disaster declared under this
20 subsection or a major disaster.

21 “(B) REQUIREMENTS FOR IDENTIFICA-
22 TION.—Each district office of the Administra-
23 tion shall—

24 “(i) identify a location described in
25 subparagraph (A) in each county, parish,

1 or similar unit of general local government
 2 in the area served by the district office;
 3 and

4 “(ii) ensure that the locations identi-
 5 fied under subparagraph (A) may be used
 6 as a recovery center without cost to the
 7 Government, to the extent practicable.”.

8 **TITLE III—OTHER PROVISIONS**

9 **SEC. 301. INCREASED OVERSIGHT OF ECONOMIC INJURY** 10 **DISASTER LOANS.**

11 (a) IN GENERAL.—Section 7(b) of the Small Busi-
 12 ness Act (15 U.S.C. 636(b)) is amended by inserting be-
 13 fore the undesignated matter following paragraph (12), as
 14 added by section 202 of this Act, the following:

15 “(13) INCREASED OVERSIGHT OF ECONOMIC IN-
 16 JURY DISASTER LOANS.—The Administrator shall
 17 increase oversight of entities receiving loans under
 18 paragraph (2), including through—

19 “(A) scheduled site visits to ensure bor-
 20 rower eligibility and compliance with require-
 21 ments established by the Administrator; and

22 “(B) reviews of the use of the loan pro-
 23 ceeds by an entity described in paragraph (2) to
 24 ensure compliance with requirements estab-
 25 lished by the Administrator.”.

1 (b) SENSE OF CONGRESS RELATING TO USING EX-
2 ISTING FUNDS.—It is the sense of Congress that no addi-
3 tional Federal funds should be made available to carry out
4 the amendments made by this section.

5 **SEC. 302. REDUCTION OF PAPERWORK BURDEN.**

6 (a) SENSE OF CONGRESS.—It is the sense of Con-
7 gress that the Administrator should—

8 (1) reduce paperwork burdens pursuant to sec-
9 tion 3501 of title 44, United States Code, on small
10 business concerns applying for disaster assistance
11 under section 7(b) of the Small Business Act (15
12 U.S.C. 636(b)); and

13 (2) ensure that the application for disaster as-
14 sistance under section 7(b) of the Small Business
15 Act (15 U.S.C. 636(b)) facilitates deterring and de-
16 tecting potential incidents of waste, fraud, and
17 abuse.

18 (b) REDUCTION.—Section 7(b) of the Small Business
19 Act (15 U.S.C. 636(b)) is amended by inserting before the
20 undesignated matter following paragraph (13), as added
21 by section 301 of this Act, the following:

22 “(14) PAPERWORK REDUCTION.—The Adminis-
23 trator shall take steps to reduce, to the maximum
24 extent practicable, the paperwork associated with the
25 application for a loan under this subsection.”.

1 **SEC. 303. REPORT ON WEB PORTAL FOR DISASTER LOAN**
2 **APPLICANTS.**

3 Section 38 of the Small Business Act (15 U.S.C.
4 657j) is amended by adding at the end the following:

5 “(c) **REPORT ON WEB PORTAL FOR DISASTER LOAN**
6 **APPLICATION STATUS.**—

7 “(1) **IN GENERAL.**—Not later than 90 days
8 after the date of enactment of this subsection, the
9 Administrator shall submit to the Committee on
10 Small Business and Entrepreneurship of the Senate
11 and the Committee on Small Business of the House
12 of Representatives a report relating to the creation
13 of a web portal to track the status of applica-
14 tions for disaster assistance under section 7(b).

15 “(2) **CONTENTS.**—The report under paragraph
16 (1) shall include—

17 “(A) information on the progress of the
18 Administration in implementing the information
19 system under subsection (a);

20 “(B) recommendations from the Adminis-
21 tration relating to the creation of a web portal
22 for applicants to check the status of an applica-
23 tion for disaster assistance under section 7(b),
24 including a review of best practices and web
25 portal models from the private sector;

1 “(C) information on any related costs or
2 staffing needed to implement such a web portal;

3 “(D) information on whether such a web
4 portal can maintain high standards for data
5 privacy and data security;

6 “(E) information on whether such a web
7 portal will minimize redundancy among Admin-
8 istration disaster programs, improve manage-
9 ment of the number of inquiries made by dis-
10 aster applicants to employees located in the
11 area affected by the disaster and to call centers,
12 and reduce paperwork burdens on disaster vic-
13 tims; and

14 “(F) such additional information as is de-
15 termined necessary by the Administrator.”.

16 **SEC. 304. LOCAL DISASTER CONTRACTING FAIRNESS.**

17 (a) DEFINITIONS.—In this section—

18 (1) the term “executive agency” has the mean-
19 ing given that term in section 133 of title 41, United
20 States Code;

21 (2) the term “local subcontractor” means, with
22 respect to a contract, a subcontractor who has a
23 principal place of business or regularly conducts op-
24 erations in the area in which work is to be per-
25 formed under the contract by the subcontractor; and

1 (3) the term “natural disaster reconstruction
2 efforts” means reconstruction efforts undertaken in
3 an area for which the President has declared a
4 major disaster under section 401 of the Robert T.
5 Stafford Disaster Relief and Emergency Assistance
6 Act (42 U.S.C. 5170).

7 (b) FEDERAL CONTRACTING REQUIREMENTS.—

8 (1) IN GENERAL.—The head of an executive
9 agency may not enter into an agreement for debris
10 removal or demolition services in connection with
11 natural disaster reconstruction efforts unless the
12 agreement specifies that—

13 (A) all of the work under the contract will
14 be performed by the prime contractor or 1 or
15 more subcontractors at 1 tier under the con-
16 tract;

17 (B) any work performed under the con-
18 tract by subcontractors will be performed by
19 local subcontractors, except to the extent that
20 local subcontractors are not available to per-
21 form such work;

22 (C) the prime contractor will act as the
23 project manager or construction manager for
24 the contract; and

25 (D) the prime contractor—

1 (i) has primary responsibility for man-
2 aging all work under the contract; and

3 (ii) will be paid a certain percentage
4 of the overall value of the contract as sole
5 compensation for assuming the risk associ-
6 ated with such responsibility.

7 (2) PREFERENCE FOR SUBCONTRACTORS AF-
8 FECTED BY NATURAL DISASTERS.—In entering into
9 an agreement for debris removal or demolition serv-
10 ices in connection with natural disaster reconstruc-
11 tion efforts, the head of an executive agency shall
12 give a preference in the source selection process to
13 each offeror who certifies that any work that is to
14 be performed under the contract by subcontractors
15 will be performed by local subcontractors.

16 (c) APPLICABILITY.—The requirements under sub-
17 section (b) shall apply to agreements entered into on or
18 after the date of enactment of this Act.

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